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August 30, 2011

The Honorable Board of Supervisors
County of Los Angeles
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, California 90012

Dear Supervisors:

**AUTHORIZE PURCHASE OF A DIGITAL MAMMOGRAPHY SYSTEM FOR
THE HIGH DESERT MULTI-SERVICE AMBULATORY CARE CENTER
(FIFTH DISTRICT)
(3 VOTES)**

SUBJECT

Authorize the purchase of a digital mammography system for the High Desert Multi-Service Ambulatory Care Center.

IT IS RECOMMENDED THAT YOUR BOARD:

Authorize the Internal Services Department (ISD), as the County's Purchasing Agent, to proceed with the acquisition and installation of a digital mammography system for the Department of Health Services (DHS) with a total estimated cost of \$482,687 because it exceeds the \$250,000 capital asset threshold established by your Board.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

Approval of this action will allow the DHS to replace a nine year old mammography system currently in use at the High Desert Multi-Service Ambulatory Care Center (HD MACC) with a new digital system. Mammography is the only film-based radiology service at the HD MACC, and installation of the digital system will complete the facility's migration to a filmless digital environment. In addition, the digital system will provide better image quality, enhance diagnostic capability, and allow for remote interpretation of screening mammograms by off-site contract radiologists when on-site coverage is not available. Acquisition of the new mammography system will also support preparations for the relocation of the HD MACC to a replacement facility in the spring of 2014 by enabling digital storage of new mammography images, as well as the conversion of historical mammography films to digital images.

The equipment identified in Attachment A exceeds \$250,000, the established threshold for capital assets purchases, and requires your Board's approval to move forward with the acquisition process.

Implementation of Strategic Plan Goals

The recommended action supports Goal 4, Health and Mental Health, of the County's Strategic Plan.

FISCAL IMPACT/FINANCING

The total estimated cost of the equipment identified in Attachment A is \$482,687 , and will be financed through the Los Angeles County Capital Asset Leasing Corporation (LAC-CAL). New LAC-CAL lease payments are calculated for a six-month period.

Funding for the Fiscal Year (FY) 2011-12 lease purchase costs are estimated at \$58,086 and is included in the FY 2011-12 Adopted Budget. The projected LAC-CAL costs for the remaining years of financing will be requested in the future fiscal years.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

On October 16, 2001, your Board adopted the classification categories for fixed assets (now changed to capital assets) and new requirements for major fixed asset acquisitions requiring County departments to obtain Board approval to purchase or finance capital assets with a unit or system cost of \$250,000 or greater, prior to submitting the requisitions to ISD as the County's purchasing agent.

ENVIRONMENTAL DOCUMENTATION

The installation of this equipment is categorically exempt from the California Environmental Quality Act (CEQA) pursuant to State CEQA Guidelines Sections 15301 (a), because the Project involves the repair and minor alteration of existing facilities, involving no or negligible expansion of the existing use.

CONTRACTING PROCESS

The acquisition of equipment is under the statutory authority of the County Purchasing Agent and will be accomplished in accordance with County purchasing policies and procedures, established by ISD.

IMPACT ON CURRENT SERVICES (OR PROJECTS)

The acquisition and installation of the digital mammography system will enable the HD MACC to continue providing screening and diagnostic mammograms. Utilizing digital mammography equipment will improve image quality, enhance diagnostic capability, and enable off-site interpretation by contract radiologists through teleradiology, when on-site coverage is not available. This new equipment will be relocated to the new HD MACC facility, when that project is completed in the spring of 2014.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Mitchell Katz". The signature is fluid and cursive, with the first name "Mitchell" written in a larger, more prominent script than the last name "Katz".

Mitchell H. Katz, M.D.

Director

MHK:pm

Enclosures

c: Chief Executive Office
County Counsel
Executive Office, Board of Supervisors
Auditor Controller
Internal Services Division

ATTACHMENT A

High Desert Multi-Service Ambulatory Care Center Digital Mammography System

Item Description	Quantity	Unit Price
Digital Mammography System	1	\$296,500
Radiologist Workstation for Mammography System	1	\$70,000
Film Digitizing System	1	\$37,000
<i>Equipment Subtotal</i>		\$403,500
<i>Contingency (10%)</i>		\$40,350
<i>Equipment Subtotal</i>		\$443,850
Tax (8.75% on Equipment)		\$38,837
Freight (10% on Equipment)		\$0
<i>Total</i>		\$482,687